

MARKET NOTICE

Number: 122/2024

Relates to:

- Equity Market
- Equity Derivatives Market
- Commodity Derivatives Market
- Currency Derivatives Market
- Interest Rate Derivatives Market
- Bond Market
- Bond ETP Market

Date: 19 April 2024

SUBJECT: IRD LARGE EXPOSURE ADD-ON CALCULATION - CHANGE TO THE RECOGNITION OF OFFSET BENEFIT - 19 APRIL 2024

Name and Surname: Alex Comninos

Designation: Chief Risk Officer (JSE Clear)

Dear JSE Stakeholder,

JSE Clear currently recognises margin offset between portfolios in the EDM/FXM and IRD markets in the calculation of the Large Exposure Add-on (LEAO). A change will be made in relation to the recognition of this offset benefit between these markets which will affect the IRD LEAO. The change mitigates the risk of a potentially overstated offset benefit between the EDM/FXM and IRD markets when calculating the IRD LEAO, ensuring that margins are appropriately levied for accounts with large exposures in the EDM/FXM and IRD markets.

Three large accounts across the market are affected and have been consulted with individually.

Implementation will be effective in the EOD process on Wednesday, 24 April 2024 with margins due for settlement on Thursday, 25 April 2024.

Should you have any queries regarding this Market Notice, please contact risk@jse.co.za

This Market Notice is available on the JSE website at: [JSE Market Notices](#)